

IN RE: Staff Application for Approval of a New) ORDER
Safety Audit Procedure by State Transport) IMPLEMENTING NEW
Police.) SAFETY PROCEDURE
) FOR CERTAIN
) TRANSPORTATION
) CARRIERS

Transport Police then returns to the carrier for a second visit in 90 days to perform a compliance review. If, for example, a household goods carrier does not have any moves or equipment, STP cancels the compliance review, and the carrier must reschedule with STP once the carrier has equipment and moves for STP to examine. Only after the compliance review does STP issue a report with a safety rating of “satisfactory,” or “unsatisfactory,” or “conditional.” The difficulty with this scenario is that the carrier is placed in a bind. Again, using a household goods mover as an example, the mover cannot receive a Certificate of Public Convenience and Necessity from the Commission authorizing him to move household goods until he gets a safety rating from STP. On the other hand, the carrier cannot get a safety rating from STP until he moves household goods. This bind has led to a number of requests for extensions of time for carriers to attempt to comply with Commission Orders on the safety rating; however, the end result is that the mover cannot legally enter the household goods moving business under this scenario.

We note that the Commission Staff has met with State Transport Police representatives, and a more workable procedure has been proposed. Under the proposed plan, a carrier may schedule a safety audit immediately after filing an Application for a Certificate of Public Convenience and Necessity and that Application is accepted for filing by the Commission Staff. Sometime after filing, STP conducts its safety audit. STP then issues a report on a Pass/Fail basis. The Commission, meanwhile, considers the Application. If the Application for a Certificate is approved, the Certificate is not issued until the Commission Staff receives the report from STP with the Applicant receiving a

“Pass” grade and until the applicant submits a signed and notarized safety certification form and satisfies all other Commission requirements, such as insurance and rate filings. The safety certification form is of the type that the Commission Staff presently employs for carriers headquartered outside the State of South Carolina. This form is employed under the new procedure, since STP does not necessarily go back to a carrier to re-check it after the safety audit. STP has pledged its cooperation in implementing this new procedure.

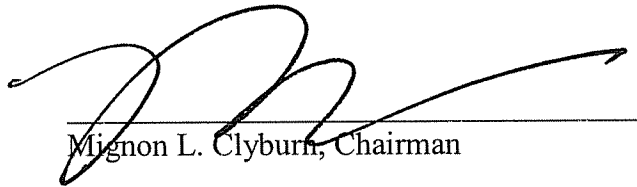
We would note parenthetically that when STP goes in to perform the safety audit, the carrier is asked whether or not they want to apply for a USDOT number, which is required if the carrier is planning on transporting on an interstate basis. If the carrier does desire to apply for the USDOT number, they are issued a temporary number. At that point the Federal Highway Administration must conduct a safety audit on the carrier within eighteen months in order to issue them a permanent number. This procedure usually applies to Charter Bus Applications and provides extra assurance of safe operation for those carriers.

We have examined this new proposed procedure and hereby approve it. We believe that the use of this procedure will determine whether or not the applicant’s safety rating is satisfactory under the regulations listed above. In fact, we hold that the successful completion of this new procedure by an applicant will constitute a determination that the applicant’s safety rating is satisfactory under the cited regulations. It appears to us that the new procedure will educate an applicant as to the requirements for a successful safety program at a much earlier stage than the process previously

employed. The new program will also give applicants who are approved by this Commission for a Certificate of Public Convenience and Necessity the opportunity to start their new businesses faster, while assuring that they meet all safety requirements for the protection of the public. In short, we hold that it is in the public interest to approve the new procedure, and we therefore approve it, effective on the date of this Order.

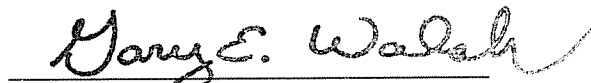
This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:



Mignon L. Clyburn, Chairman

ATTEST:



Gary E. Walsh, Executive Director

(SEAL)